

AMENDED IN SENATE APRIL 7, 2005

SENATE BILL

No. 997

Introduced by Senator Soto

February 22, 2005

~~An act to amend Section 12300 of the Education Code, relating to school funding. An act to amend Section 7262 of the Government Code, relating to relocation assistance.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 997, as amended, Soto. ~~School funding: administration of federal funds for school facilities Relocation assistance: State Allocation Board indoor swap meets.~~

Under existing law, whenever a program or project to be undertaken by a public entity will result in the displacement of any person, the displaced person is entitled to payment for actual moving and related expenses as the public entity determines to be reasonable and necessary, including, among other things, actual and reasonable expenses in moving himself or herself, his or her family, business, or farm operation, or his or her personal property.

This bill would limit relocation assistance to both operators and vendors of an indoor swap meet whenever real property is acquired by a local school district and the property includes the operation of an indoor swap meet.

~~Existing law provides that if a federal law, which provides federal funds to the state for education, as specified, does not require that the funds be administered in this state by a state officer or agency other than the State Allocation Board, that law shall be administered by and the funds shall be apportioned by the State Allocation Board, as provided.~~

~~This bill would make technical, nonsubstantive changes to those provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 12300 of the Education Code is~~
2 ~~amended to read:~~
3 *SECTION 1. Section 7262 of the Government Code is*
4 ~~amended to read:~~
5 7262. (a) Whenever a program or project to be undertaken by
6 a public entity will result in the displacement of any person, the
7 displaced person is entitled to payment for actual moving and
8 related expenses as the public entity determines to be reasonable
9 and necessary, including expenses for all of the following:
10 (1) Actual and reasonable expenses in moving himself or
11 herself, his or her family, business, or farm operation, or his or
12 her, or his or her family's, personal property.
13 (2) Actual direct losses of tangible personal property as a
14 result of moving or discontinuing a business or farm operation,
15 but not to exceed an amount equal to the reasonable expenses
16 that would have been required to relocate the property, as
17 determined by the public entity.
18 (3) Actual and reasonable expenses in searching for a
19 replacement business or farm, not to exceed one thousand dollars
20 (\$1,000).
21 (4) Actual and reasonable expenses necessary to reestablish a
22 displaced farm, nonprofit organization, or small business at its
23 new site, but not to exceed ten thousand dollars (\$10,000).
24 (b) Any displaced person eligible for payments under
25 subdivision (a) who is displaced from a dwelling and who elects
26 to accept the payments authorized by this subdivision in lieu of
27 the payments authorized by subdivision (a) shall receive a
28 moving expense and dislocation allowance which shall be
29 determined according to a schedule established by the head of the
30 lead agency. The schedule shall be consistent with the
31 Residential Moving Expense and Dislocation Allowance
32 Payment Schedule established by Part 24 of Title 49 of the Code
33 of Federal Regulations.
34 (c) (1) Any displaced person who moves or discontinues his
35 or her business or farm operation and elects to accept the

1 payment authorized by this subdivision in lieu of the payment
2 authorized by subdivision (a), shall receive a fixed relocation
3 payment in an amount equal to the average annual net earnings of
4 the business or farm operation, except that the payment shall not
5 be less than one thousand dollars (\$1,000) nor more than twenty
6 thousand dollars (\$20,000). In the case of a business, no payment
7 shall be made under this subdivision, unless the public entity is
8 satisfied that the business cannot be relocated without substantial
9 loss of patronage and is not part of a commercial enterprise
10 having at least one other establishment not being acquired,
11 engaged in the same or similar business. For purposes of this
12 subdivision, the term “average annual net earnings” means
13 one-half of any net earnings of the business or farm operation
14 before federal, state, and local income taxes during the two
15 taxable years immediately preceding the taxable year in which
16 the business or farm operation moves from the real property
17 being acquired, or during any other period as the public entity
18 determines to be more equitable for establishing earnings, and
19 includes any compensation paid by the business or farm
20 operation to the owner, his or her spouse, or his or her
21 dependents during the two-year or other period. To be eligible for
22 the payment authorized by this subdivision, the business or farm
23 operation shall make available its state income tax records,
24 financial statements, and accounting records, for confidential use
25 pursuant to an audit to determine the payment pursuant to this
26 subdivision. In regard to an outdoor advertising display, payment
27 pursuant to this subdivision shall be limited to the amount
28 necessary to physically move, or replace that display. Any
29 displaced person eligible for payments under subdivision (a) who
30 is displaced from the person’s place of business or farm
31 operation and who is eligible under criteria established by the
32 public entity, may elect to accept a fixed payment in lieu of the
33 payment authorized by subdivision (a). The fixed payment shall
34 not be less than one thousand dollars (\$1,000) nor more than
35 twenty thousand dollars (\$20,000). A person whose sole business
36 at the displacement dwelling is the rental of the property to others
37 shall not qualify for a payment under this subdivision.

38 (d) (1) Whenever the acquisition of real property used for a
39 business or farm operation causes the person conducting the
40 business or farm operation to move from other real property, or

1 to move his or her personal property from other real property, the
2 person shall receive payments for moving and related expenses
3 under subdivision (a) or (b) and relocation advisory assistance
4 under Section 7261 for moving from the other property.

5 *(2) Whenever the acquisition of real property is by a local*
6 *school district and the property includes the operation of an*
7 *indoor swap meet subject to the provisions of Article 6*
8 *(commencing with Section 21660) of Chapter 9 of Division 8 of*
9 *the Business and Professions Code, the operator or operators*
10 *and any vendor of the indoor swap meet shall only receive*
11 *payments for relocation assistance pursuant to either of the*
12 *following:*

13 *(A) The operator of an indoor swap meet shall only be*
14 *eligible for a fixed relocation payment in an amount equal to the*
15 *average annual net earnings of the business, except that the*
16 *payment shall not exceed fifty thousand dollars (\$50,000).*

17 *(B) Any vendor of an indoor swap meet shall only be eligible*
18 *for a fixed relocation payment in an amount equal to the average*
19 *annual net earnings of the business, except that the payment shall*
20 *not exceed two thousand five hundred dollars (\$2,500).*

21 (e) Whenever a public entity must pay the cost of moving a
22 displaced person under paragraph (1) of subdivision (a), or
23 subdivision (d):

24 (1) The costs of the move shall be exempt from regulation by
25 the Public Utilities Commission.

26 (2) The public entity may solicit competitive bids from
27 qualified bidders for performance of the work. Bids submitted in
28 response to the solicitations shall be exempt from regulation by
29 the Public Utilities Commission.

30 (f) No provision of this chapter shall be construed to require a
31 public entity to provide any relocation assistance to a lessee if the
32 property acquired for a program or project is subject to a lease
33 for purposes of conducting farm operations and the public entity
34 agrees to assume all of the terms of that lease.

35 ~~12300. Notwithstanding Sections 12020, 12220, and 12300 to~~
36 ~~12307, inclusive, if by any act of Congress funds are provided as~~
37 ~~federal aid to education to the several states for apportionment or~~
38 ~~allocation to school districts or community college districts for~~
39 ~~the purposes set forth in this section, and the act of Congress~~
40 ~~does not require that it be administered in this state by a state~~

1 ~~officer or agency other than the State Allocation Board, that act,~~
2 ~~with respect to the funds herein mentioned, shall be administered~~
3 ~~and the funds shall be apportioned by the State Allocation Board~~
4 ~~under the Local Agency Allocation Act.~~

5 ~~The funds to which this section applies are funds appropriated~~
6 ~~by Congress for (a) the purchase and improvement of schoolsites;~~
7 ~~or (b) the purchase of furniture and equipment; or (c) the~~
8 ~~planning and construction, reconstruction, repair, alteration of,~~
9 ~~and addition to, school buildings and incidental facilities.~~

10 ~~The State Allocation Board shall by rule provide for securing~~
11 ~~the recommendations or approval of the State Department of~~
12 ~~Education or the Board of Governors of the California~~
13 ~~Community Colleges, as the case may be, as to the facilities to be~~
14 ~~provided.~~

15 ~~Funds apportioned under this section shall be paid in~~
16 ~~accordance with the provisions of Section 12302 on claims~~
17 ~~submitted by the Director of General Services.~~

18 ~~The State Allocation Board is hereby authorized to accept any~~
19 ~~of those funds on behalf of the state, and to cooperate with the~~
20 ~~government of the United States or any agency or agencies~~
21 ~~thereof in the administration of the act of Congress and rules and~~
22 ~~regulations lawfully adopted thereunder.~~